

A large American flag is shown in the background, with the stars and stripes clearly visible. The flag is draped and has a slight wave to it.

SBA

Patriot Express Loan Initiative



Reminder: For audio conference please dial in
@ 1-866-740-1260 Access Code: 3017201

SBA Patriot Express Loan Initiative

SBA's **Patriot Express** Pilot Loan Initiative is a streamlined loan product based on SBA's successful Express loan program.

This pilot program will operate through December 31, 2010.

Loan Amount & Percentage of Guaranty

- Maximum loan amount is \$500,000.
- SBA guaranty up to 85% for loans of \$150,000 or less and up to 75% for loans above \$150,000 to \$500,000.
- For loans above \$350,000, lenders will be required to take all collateral available.

Eligibility

The program is open to:

- veterans
- service-disabled veterans
- active-duty service members eligible for the military's Transition Assistance Program
- Reservists and National Guard members
- current spouses of any of the above, and
- the widowed spouse of a service member or veteran who died during service or of a service-connected disability

Eligibility, continued

- Lenders will be required to document each borrower's eligibility using approved Department of Defense or Veterans Administration documentation and that documentation must be furnished to SBA with any purchase request.

Documentation

- Active Duty - DD214
- Army Reserve duty:
 - DA Form 1383
 - ARPC Form 249-2E
 - DARC Form 249
 - AGUZ Form 115
- National Guard Duty:
 - NGB Form 23
 - NGB Form 22

Documentation, continued

- Air Force Reserve – AF Form 526
- Navy Reserve – NAVPERS Form 1070-61
- Marine Corps Reserve – AVMC Form 768
- Coast Guard Reserve – CG HQ Form 4973

Interest rates

- Interest rates are based on 7(a) maximum guidelines not Express guidelines:
 - Loans with maturities of up to 7 years - Prime + 2.25%
 - Loans with maturities of 7 years & above – Prime + 2.75%
 - Loans \$25,000 and less 2.00% higher
 - Loans over \$25,000 up to \$50,000 – 1.00% higher

Use of Proceeds

- Proceeds can be used for most business purposes, including:
 - start-up
 - expansion
 - equipment purchases
 - working capital
 - inventory
 - real estate
 - revolving lines of credit

Participating Lenders

- Existing SBA Express lenders and PLP lenders.
- Sacramento will be sending letters and Supplemental Guaranty Agreements for execution to participate in the program.
- Anticipated start date for SBA processing of Patriot Express loans is anticipated to be June 28, 2007.

Veterans Assistance

- SBA's resource partners SCORE, Counselors to America's Small Business; Small Business Development Centers (SBDC); and Women's Business Centers (WBC) provide local and online assistance. Contact information:
 - SCORE – www.score.org
 - SBDC – www.mainesbdc.org
 - WBC – www.ceimaine.org/women

Contacts

- Refer veterans to:
John Gardner, SBA Veterans Business Development Officer, 207-622-8555 or john.gardner@sba.gov
- Information may also be obtained at: www.sba.gov/patriotexpress

SBA Staff

- SBA Field Staff available to assist:
 - Alden Turner – 207-592-5322 or alden.turner@sba.gov
 - Herbert Thomas – 207-592-4522 or herbert.thomas@sba.gov
 - John Gardner – 207-622-8555 or john.gardner@sba.gov
 - Rose Oleksiak – 207-622-8554 or rose.oleksiak@sba.gov
 - Helen Brimigion – 207-622-8394 or helen.brimigion@sba.gov

Thank you

We look forward to working with you
on this new program.

A copy of this powerpoint may be
obtained at www.sba.gov/me

Have a great summer!

Maine District Office

